

SB115 INTRODUCED



1 5L9VM6-1
2 By Senator Waggoner
3 RFD: Finance and Taxation Education
4 First Read: 22-Mar-23
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SYNOPSIS:

Under existing law, the National Foundation's Alabama Field Offices, is exempt from payment of any and all state, county, and municipal taxes.

This bill would rename the National Foundation in the Code of Alabama 1975, to reflect its current name, the March of Dimes Inc.

A BILL
TO BE ENTITLED
AN ACT

To amend Section 40-9-12, Code of Alabama 1975, regarding tax exemptions, to change the name of the National Foundation to reflect its current name, the March of Dimes Inc.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-9-12, Code of Alabama 1975, is amended to read as follows:

"§40-9-12

(a) The ~~National Foundation's Alabama Field Offices~~ March of Dimes Inc., all Young Men's Hebrew Associations (Y.M.H.A.) also known as Jewish Community Centers (J.C.C.), and all real and personal property of all Young Men's Hebrew



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29 Associations (Y.M.H.A.) also known as Jewish Community Centers
30 (J.C.C.), the Seamen's Home of Mobile, incorporated under Act
31 No. 145, Acts of Alabama 1844-45, the Girl Scouts of America
32 and the Boy Scouts of America, and any council, troop or other
33 subdivision thereof now existing or hereafter created and all
34 real and personal property of the Girl Scouts of America and
35 the Boy Scouts of America, and any council, troop or other
36 subdivision thereof now existing or hereafter created, the
37 Catholic Maritime Club of Mobile, Inc., the Knights of Pythias
38 Lodges, the Salvation Army, Inc., the Elks Memorial Center,
39 and all real and personal property of the Salvation Army,
40 Inc., and the Elks Memorial Center, all United Way
41 organizations and United Way member agencies in Alabama, other
42 qualifying united appeal funds and their recipients as
43 provided in subsection (d), and the real and personal property
44 of all United Way organizations and United Way member agencies
45 in Alabama, other qualifying united appeal funds and their
46 recipients as provided in subsection (d), and the Alabama
47 Masonic Home, the American Cancer Society, and all real and
48 personal property of American Cancer Society, the New Hope
49 Industries of Dothan, and all real and personal property of
50 the New Hope Industries of Dothan, the Helping Hand Club of
51 Anniston, and all real and personal property of the Helping
52 Hand Club of Anniston, Childhaven, Inc., and all real and
53 personal property of Childhaven, Inc., Presbyterian Home for
54 Children and all real and personal property of Presbyterian
55 Home for Children, Freewill Baptist Children's Home and all
56 real and personal property of Freewill Baptist Children's



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57 Home, Methodist Homes for the Aging and all real and personal
58 property of Methodist Homes for the Aging, and United
59 Methodist Children's Home and all real and personal property
60 of United Methodist Children's Home, Birmingham Building
61 Trades Towers of Birmingham, Alabama, a nonprofit corporation,
62 the Holy Comforter House, Inc., of Gadsden, Alabama, a
63 nonprofit corporation, the University of Alabama Huntsville
64 Foundation and all real and personal property of the
65 University of Alabama Huntsville Foundation, the Birmingham
66 Football Foundation, Inc., a nonprofit corporation, and all
67 real and personal property of the Birmingham Football
68 Foundation, Inc., and of any branch or department of any of
69 same heretofore or hereafter organized and existing in good
70 faith in the State of Alabama, for other than pecuniary gain
71 and not for individual profit, when such real or personal
72 property shall be used by such associations or nonprofit
73 corporations, their branches or departments in and about the
74 conducting, maintaining, operating and carrying out of the
75 program, work, principles, objectives, and policies of such
76 associations or nonprofit corporations, their branches or
77 departments, in any city or county of the State of Alabama,
78 are exempt from the payment of any and all state, county, and
79 municipal taxes, licenses, fees, and charges of any nature
80 whatsoever, including any privilege or excise tax heretofore
81 or hereafter levied by the State of Alabama or any county or
82 municipality thereof. The receipt, assessment or collection of
83 any fee, admission, service charge, rent, dues, or any other
84 item or charge by any such association or nonprofit



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85 corporation, its branches or departments from any person,
86 firm, or corporation for any services rendered by any such
87 association or nonprofit corporation, its branches or
88 departments or for the use or occupancy of any real or
89 personal property of any such association or nonprofit
90 corporation, its branches or departments in or about the
91 conducting, maintaining, operating, and carrying out of the
92 program, work, principles, objectives, and policies of any
93 such association or nonprofit corporation, its branches, or
94 departments shall not be held or construed by any court,
95 agency, officer, or commission of the State of Alabama, or any
96 county or municipality thereof, to constitute pecuniary gain
97 or individual profit by any such association or nonprofit
98 corporation, its branches or departments, or the doing of
99 business in such a manner as to prejudice or defeat, in any
100 manner, the right and privilege of any such association or
101 nonprofit corporation, its branches or departments to claim or
102 rely upon or receive the exemption of such association or
103 nonprofit corporation, its branches or departments and of all
104 real and personal property thereof from taxation, as herein
105 provided.

106 (b) With respect to gasoline, tobacco, playing card tax
107 or any other tax required by law to be prepaid by the
108 retailer, the associations, nonprofit corporations, or
109 organizations exempt under this section shall pay the
110 appropriate tax at the time purchases are made, and the amount
111 of such tax shall be refunded to such associations, nonprofit
112 corporations, or organizations by the Department of Revenue



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113 pursuant to the procedures for refunds provided in Chapter 2A
114 of this title.

115 (c) For purposes of this section, the following words
116 and phrases shall have the following meanings:

117 (1) SUPPORTED CHARITY. Any charitable, civic, or
118 eleemosynary institution for which a united appeal fund
119 solicits funds.

120 (2) UNITED APPEAL FUND. Any nonprofit entity that
121 demonstrates to the reasonable satisfaction of the Department
122 of Revenue that it has all of the following characteristics:

123 a. Is an Alabama nonprofit corporation, or another type
124 of legal entity, whether formed in Alabama or in another
125 jurisdiction, which is required by its principal governing
126 documents to be operated as a charity.

127 b. Is one of a class, donations to which are deductible
128 for federal and Alabama income tax purposes under Section
129 170(c) of the Internal Revenue Code.

130 c. Has as its principal purpose, as stated by its
131 principal governing documents, the raising of funds or the
132 aggregation or consolidation of fund raising efforts, to
133 support other charities which are not themselves united appeal
134 funds, known as supported charities.

135 d. Has been issued a Certificate of Exemption from
136 Alabama sales, use, and lodgings tax prior to July 1, 2017,
137 and has continually maintained the Certificate of Exemption as
138 required by Section 40-9-60.

139 e. With respect to the distribution of funds raised by
140 the united appeal fund, the entity's principle governing



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141 documents must require that no supported charity, as defined
142 in this subsection, will receive de minimis support.

143 (3) UNITED WAY MEMBER AGENCY. Any nonprofit
144 organization that receives funding through the approval of the
145 board of a United Way organization, but only if the nonprofit
146 organization is:

147 a. Accountable to the granting United Way organization
148 for the expenditure of any funds received from such United Way
149 organization.

150 b. Included on a list of such nonprofit organizations
151 to be submitted to the Department of Revenue under subsection
152 (e) by all United Way organizations on or before a date
153 provided for in a rule of the Department of Revenue.

154 (4) UNITED WAY ORGANIZATION. Any nonprofit corporation
155 legally authorized and licensed to operate under the name
156 United Way and use the name United Way and the associated logo
157 and trademarks.

158 (d) (1) Each supported charity must be separately
159 identified by name in the principal governing documents of the
160 united appeal fund entity, and by name and federal employer
161 identification number at the request of the Department of
162 Revenue. Each supported charity must agree, in its own
163 principal governing documents, to become or remain a member of
164 the united appeal fund that funded the supported charity.

165 (2) The special rules provided in this subsection shall
166 not apply to any United Way organization or any United Way
167 member agency.

168 (e) (1) Each United Way organization shall provide the



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169 Department of Revenue with a list of its constituent United
170 Way member agencies on an annual basis.

171 (2) The Department of Revenue, by rule, shall provide
172 the date on which United Way organizations shall submit the
173 list required by this subsection."

174 Section 2. This act shall become effective on the first
175 day of the third month following its passage and approval by
176 the Governor, or its otherwise becoming law.